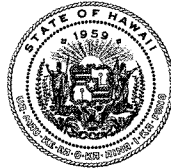


BENJAMIN J. CAYETANO
GOVERNOR



NEAL MIYAHIRA
DIRECTOR

WAYNE H. KIMURA
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII PUBLIC EMPLOYEES HEALTH FUND
OFFICE OF THE PUBLIC DEFENDER
PUBLIC UTILITIES COMMISSION

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150


ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION

September 1, 2000

FINANCE MEMORANDUM

MEMO NO. 00-22

TO: All Department Heads

FROM: Neal Miyahira
Director of Finance 

SUBJECT: **Statewide Program Review**

Departments are reminded that this Administration remains committed to achieving the goals envisioned by the statewide program review, which began in 1995. As such, all department and agency heads are directed to continue to implement the intent and provisions of **Executive Memo No. 99-06**, dated July 6, 1999 (Relating to Statewide Program Review), and to make every effort to attain the goals it sets forth which are: a) to ensure that government operates "within its means"; b) to identify which functions are appropriate to State government; and c) to ensure that State supported programs are operating efficiently and effectively.

Last year, program expenditure reductions and funding realignments were made based on Program Review Group recommendations, and the efforts should continue.

In view of the "No Growth" policy for FB 2002-03 (**Director of Finance Memo No. 00-12**, dated August 25, 2000), however, it is imperative that departmental review groups also focus on the following more specific organizational connotations of the Governor's program review goals.

Program Review Group Assignments

- All program review group assignments shall remain the same except for the creation of a new "Felix Consent Decree Compliance" group, which shall be comprised of the Departments of Health, Education, Human Services, Attorney General, and Budget and Finance. This new group replaces the former Education: School/Mental Health Services group. See attached matrix of groups and group leaders.

Program Review Group Tasks

- While specific funding (and/or reduction target) recommendations will not be required, all groups should make assessments and recommendations regarding the fundamental role of government, statewide funding priorities and recommended redistribution of resources.
- Recommend realignments (as appropriate) of public, private and community responsibilities.
- Recommend restructuring of individual programs or State government organization.
- Recommend improvements to government efficiency, including reevaluations of performance measures and measures of effectiveness; the establishment of more meaningful and/or useful measures for individual programs; the establishment of appropriate performance benchmarks; and implementation of activity-based costing to justify program costs.
- The “Felix” group shall specifically review and recommend funding levels and program responsibilities to satisfy the Felix mandates.

Program Review Group Deadlines and Due Dates

- Group recommendations shall be incorporated into departments’ FB 2002-03 budget proposals which are due to the Governor and the Department of Budget and Finance on **September 29, 2000**.

Attachment

PROGRAM REVIEW GROUP LEADERS - 2000
(shown in **BOLD**)

Review Groups:

Dept:	FELIX Consent Decree Compliance	EDUCATION: Support Services	HEALTH & HUMAN SERVICES	ECONOMIC DEV.	ENVIRONMT	GENERAL ADMIN & OPERATIONS	CONSUMER PROTECTION	CULTURE & RECREATION
Acc & Gen Svcs		RAY SATO				Ray Sato		Ray Sato
Agriculture				James Nakatani	James Nakatani		James Nakatani	
Attorney General	Earl Anzai		Earl Anzai			Earl Anzai		
Budget & Finance	Neal Miyahira		Neal Miyahira			Neal Miyahira		
Busn, Ec Dev & T			Seiji Naya	SEIJI NAYA	Seiji Naya			
Commerce & Consumer Affairs				Kathryn Matayoshi			KATHRYN MATAYOSHI	
Education*	PAUL LEMAHIEU	Paul LeMahieu						
Governor						Sam Callejo		
Hawaiian Home Lands			Raynard Soon					
Health	Bruce Anderson	Bruce Anderson	Bruce Anderson		BRUCE ANDERSON			
Human Resources Dev						DAVIS YOGI		
Human Services	Susan Chandler		SUSAN CHANDLER	Susan Chandler				
Labor & Indus Relations			Gilbert	Gilbert				
Land & Natural Resources			Coloma-Agaran	Coloma-Agaran				
Lt. Governor				Tim Johns	Tim Johns		Tim Johns	TIM JOHNS
Defense**						Mazie Hirono		
Public Safety**								
Taxation**								
Transportation**								
Univ of Hawaii*								

*Dept. of Education/Univ. of Hawaii: **BOE/BOR REVIEW**

**Director's Review:

Defense** **EDWARD CORREA**
 Public Safety** **TED SAKAI**
 Taxation** **MARIE OKAMURA**
 Transportation** **KAZU HAYASHIDA**